

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Social Services	(2) MEETING DATE 7/21/2015	(3) CONTACT/PHONE Dawn Boulanger - 805-781-1835 Reva Bear - 805-781-1838	
(4) SUBJECT Request to approve the plan for the FY 2015-16 Workforce Innovation and Opportunity Act (WIOA) formula funds budget totaling \$1,976,558 and submittal of a resolution 1) approving the WIOA subgrant agreement (Clerk's File) with the State of California for the receipt of Youth funds in the amount of \$721,509; and 2) delegating signatory authority for all WIOA administrative documents to the Social Services Director. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board: 1. Approve the plan for the FY 2015-2016 WIOA formula funds budget totaling \$1,976,558; and 2. Adopt the resolution a) approving and instructing the Chairperson to sign the Workforce Innovation and Opportunity Act (WIOA) subgrant agreement (K698395) with the State of California Employment Development Department for receipt of WIOA Youth funds, and b) delegating signatory authority for all WIOA administrative documents including plans, modifications, and adjustments in connection with this subgrant agreement as required by the State of California Employment Development Department, the United States Department of Labor, or any other federal agency to the Social Services Director.			
(6) FUNDING SOURCE(S) WIOA Federal Funds	(7) CURRENT YEAR FINANCIAL IMPACT \$1,976,558	(8) ANNUAL FINANCIAL IMPACT \$1,976,558	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input checked="" type="checkbox"/> Board Business (Time Est. <u>10 min</u>)			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? N/A	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: <u>08/12/2014</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Morgan Torell			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Social Services / Dawn Boulanger - 805-781-1835
Reva Bear - 805-781-1838

DATE: 7/21/2015

SUBJECT: Request to approve the plan for the FY 2015-16 Workforce Innovation and Opportunity Act (WIOA) formula funds budget totaling \$1,976,558 and submittal of a resolution 1) approving the WIOA subgrant agreement (Clerk's File) with the State of California for the receipt of Youth funds in the amount of \$721,509; and 2) delegating signatory authority for all WIOA administrative documents to the Social Services Director. All Districts.

RECOMMENDATION

It is recommended that the Board:

1. Approve the plan for the FY 2015-2016 WIOA formula funds budget totaling \$1,976,558; and
2. Adopt the resolution a) approving and instructing the Chairperson to sign the Workforce Innovation and Opportunity Act (WIOA) subgrant agreement (K698395) with the State of California Employment Development Department for receipt of WIOA Youth funds, and b) delegating signatory authority for all WIOA administrative documents including plans, modifications, and adjustments in connection with this subgrant agreement as required by the State of California Employment Development Department, the United States Department of Labor, or any other federal agency to the Social Services Director.

DISCUSSION

On March 11, 2008, your Board designated the Department of Social Services (DSS) as the Administrative Entity and Fiscal Agent for the local workforce investment area. In this capacity, DSS receives WIOA funds directly from the State, distributes funds to program providers and provides administrative and fiscal support and oversight of WIOA programs and operations.

Approval of this item will allow the County to receive WIOA Youth funds from the State of California. WIOA Youth funds are intended to support employment, training, and education services to youth. This WIOA Youth subgrant agreement is the foundation document for receipt of all WIOA formula funds. The State releases the other formula WIOA allocations to the County as unilateral modifications to this subgrant agreement. A modification to this agreement incorporating WIOA Adult, Dislocated Worker, and Rapid Response funds for program year 2015-2016 will occur upon this agreement being executed.

Approval of the attached resolution delegating signatory authority to the Social Services Director for all WIOA administrative documents is pursuant to direction from the State, and will mean that no further action by the Board will be necessary to receive the FY 2015-2016 Adult, Dislocated Worker, and Rapid Response WIOA formula funds.

The WIOA funds are 100% Federally funded and distributed to the states for allocation to counties via subgrant agreements. The total funding allocated to San Luis Obispo County for FY 2015-2016 is \$1,976,558 which is \$57,299 less than FY 2014-2015 or a net decrease of approximately 3% and is reflective of a general reduction in WIOA funding across the State. Funding allocations for the local area in a given year depend upon the dollars allocated to California from the Federal Government and the percentage of that allocation that is awarded to a local area. A local area's percentage is

based on the number of unemployment insurance claims, the unemployment rate, and the number of economically disadvantaged adults and youth in the local area.

These funds will be used to support WIOA direct service programs and administrative and fiscal costs. The allocation for each fund stream is detailed below:

Fund Stream	Total Allocation	Comments
Adult	\$552,745	Confirmed via notice from the State
Dislocated Worker	\$561,618	Confirmed via notice from the State
Youth	\$721,509	Confirmed via notice from the State
Rapid Response	\$140,686	Confirmed via notice from the State
Total	\$1,976,558	Uses of funds are detailed below

Direct Service Costs

Of the total FY 2015-2016 funding allocated to the Adult, Dislocated Worker, and Rapid Response fund streams, your Board approved a contract, in the amount of \$776,638 for WIOA America's Job Center of California (AJCC) operator and Adult, Dislocated Worker, and Rapid Response services with Goodwill Central Coast on July 07, 2015. Also on that date, your Board approved a contract, in the amount of \$594,694 for WIOA Youth services with Henkels & McCoy, Inc. (see table below).

Fund Source	Use	Recipient
Adult \$319,739	AJCC operation and direct services to eligible adults	Contract with Goodwill Central Coast
Dislocated Worker \$406,569	AJCC operation and direct services to eligible dislocated workers	Contract with Goodwill Central Coast
Rapid Response \$50,330	Direct services to employers and workers in response to layoffs. Direct services to businesses to assist with layoff aversion, retention, and expansion.	Contract with Goodwill Central Coast
\$776,638 Total Goodwill Contract		
Youth \$594,694	Youth center and program operations and direct services to eligible youth	Contract with Henkels & McCoy, Inc.
\$594,694 Total Henkels & McCoy, Inc. Contract		
\$1,371,332 Total San Luis Obispo County WIOA funds contracted for services.		

The remaining FY 2015-2016 allocation will be used for operating costs.

Operating Costs

In FY 2015-2016, the Workforce Development Board (WDB) set-aside budget, operating costs, and administrative entity and fiscal agent staff salaries will be funded with the remaining funds. These costs are outlined in the table below:

Use of Funds	FY 2014-15	FY 2015-16	Comments
WDB Set Aside	\$40,750	\$27,400	Planning and development, outreach (sponsorship of job fairs), program expansion (funding new initiatives), and member conference and travel costs.
DSS Admin Entity/ Fiscal Agent Salary Costs	\$504,323	\$532,140	Staff positions include the following: <ul style="list-style-type: none"> • 1 FTE Administrative Services Manager • 1 FTE Program Manager I • 2 FTE Program Review Specialists • 1 FTE Administrative Assistant III to support the WDB • .06 FTE Departmental Administrator (fiscal staff) • .02 FTE Accountant III (fiscal staff)
DSS Operating Costs	\$19,700	\$16,200	Costs include: County Auditor services for annual fiscal compliance review, staff travel, and CA Workforce Association

			registration.
Services and Systems Costs/ Purchase Orders	\$10,800	\$15,800	This category details costs that benefit the WIOA system as a whole, and are not specifically DSS costs. These costs are for labor market software subscriptions.
TOTAL:	\$575,573	\$591,540	

WIOA requires extensive oversight including programmatic and operational support to include annual program compliance monitoring reviews of all WIOA subcontractors, staffing the WDB and its committees, the provision of technical support to service providers, and management information system administration for tracking and reporting services provided to WIOA customers. Local administration of the WIOA also requires fiscal support and financial oversight including budgeting, competitively procuring WIOA services, managing WIOA service contracts, issuing purchase orders, accounts payable, participating in annual fiscal compliance reviews by the State, fiscal reporting to the State, and outside audit resolution. Therefore, \$532,140 is set aside to contribute towards costs incurred by the DSS for administrative entity and fiscal agent services including salary costs for all WIOA program staff responsible for these administrative, programmatic, and fiscal oversight and support activities. These costs are greater than the prior year due to cost of living and salary step increases.

To cover DSS operating expenses, \$16,200 is set aside. These operating costs include California Workforce Association dues for the WDB, staff travel, supplies, training, and County Auditor services for annual fiscal and procurement monitoring of WIOA subcontractors. The Services and Systems category includes \$15,800 to cover costs incurred by services which benefit the WIOA system as a whole and not DSS specifically. This allows for further detail on how funding is allocated to cover system-wide service costs which this year is comprised entirely of labor market software subscriptions.

OTHER AGENCY INVOLVEMENT/IMPACT

The Workforce Development Board (formerly the Workforce Investment Board under prior legislation) of San Luis Obispo County participates in oversight of all WIOA funded programs. County Counsel has reviewed and approved the resolution.

FINANCIAL CONSIDERATIONS

The WIOA formula budget estimate of \$1,976,558 was included in the DSS Adopted budget for FY 2015-2016. This item will have no impact on the County's General Fund.

RESULTS

Approval of this item will allow the County to receive WIOA funds from the State, comply with State instructions to provide a resolution assigning signatory authority for WIOA agreements, and comply with WIOA regulations requiring the chief local elected officials' approval of the WIOA budget.

ATTACHMENTS

1. Clerk's File Statement
2. Resolution